

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

VALIDUS PHARMACEUTICALS, INC.,)	
)	
Plaintiff,)	
)	
v.)	C.A. No. 08-36 (GMS)
)	
ACTAVIS SOUTH ATLANTIC LLC, and)	
ACTAVIS, INC.,)	
)	
Defendants.)	

**VALIDUS PHARMACEUTICALS, INC.'S
REPLY TO DEFENDANTS' COUNTERCLAIMS**

Plaintiff/Counterclaim defendant Validus Pharmaceuticals, Inc. ("Validus") hereby replies to the numbered paragraphs of the Counterclaims of Defendants Actavis South Atlantic LLC and Actavis, Inc. (together "Actavis") as follows:

1. Admitted that Actavis seeks a declaratory judgment of invalidity, but denies that the '253 patent is invalid or that Actavis is entitled to any relief.
2. Upon information and belief, admitted that Actavis South Atlantic LLC is a limited liability company organized and existing under the laws of the State of Delaware, and having a principal place of business at 13800 N.W. 2nd Street, Sunrise, Florida 33325.
3. Upon information and belief, admitted that Actavis, Inc. is a corporation organized and existing under the laws of Delaware, and having a principal place of business at 60 Columbia Road, Building B, Morristown, New Jersey 07960.
4. Admitted that Validus Pharmaceuticals, Inc., is a corporation organized and existing under the laws of the State of Delaware, and has its principal place of business at 119 Cherry Hill Road - Suite 310, Parsippany, New Jersey 07054.
5. Admitted.

6. Admitted.

7. Admitted.

Validus' Answer To Count I
Declaratory Relief Involving Invalidity

8. Validus incorporates its responses to Paragraphs 1-7 as set forth herein.

9. Admitted that Actavis requests such a declaration, but denied that the claims of the '253 patent are invalid or that Actavis is entitled to any relief.

Validus' Answer To Count II
Declaratory Relief Involving Non-Infringement

10. Validus incorporates its responses to Paragraphs 1-9 as set forth herein.

11. Admitted that Actavis requests such a declaration, but denied that Actavis has not infringed the claims of the '253 patent or that Actavis is entitled to any relief.

Validus' Answer To Count III
Declaratory Relief Involving Exceptional Case

12. Validus incorporates its responses to Paragraphs 1-9 as set forth herein.

13. Validus denies the allegations of Paragraph 13.

RELIEF

14. Validus denies that Actavis is entitled to any of the relief it has requested, or to any other relief.

15. Any allegation contained in Actavis South Atlantic LLC's and Actavis, Inc.'s Answer, Defenses, and Counterclaims to Validus Pharmaceuticals, Inc.'s Complaint for Patent Infringement that is not specifically admitted is denied.

VALIDUS' AFFIRMATIVE DEFENSES

16. Actavis' counterclaims fail to state a claim upon which relief can be granted.

VALIDUS' PRAYER FOR RELIEF

WHEREFORE, Validus seeks the following relief:

- A. A judgment dismissing with prejudice Actavis' Counterclaims and each and every Prayer for Relief contained therein;
- B. A finding that this is an exceptional case, and an award of attorney's fees in this action pursuant to 35 U.S.C. § 285;
- C. An award to Validus of costs and expenses incurred in defending these Counterclaims; and
- D. Such further and other relief as this Court deems just and proper.

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

/s/ James W. Parrett, Jr.

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February 29, 2008

CERTIFICATE OF SERVICE

I hereby certify that on February 29, 2008 I electronically filed the foregoing with the Clerk of the Court using CM/ECF, which will send notification of such filing to:.

Richard L. Horwitz, Esquire
David E. Moore, Esquire
POTTER ANDERSON & CORROON LLP

I further certify that I caused to be served copies of the foregoing document on February 29, 2008 upon the following in the manner indicated:

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*VIA ELECTRONIC MAIL
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